If a dealer sells a third-party warranty or service contract to the purchaser of a motor vehicle and collects a fee or premium from the customer, the dealer must pay the warranty or service contract company and ensure the warranty is in effect within 15 days of the date of sale (41-3-405 UCA).

Failure of a dealer to remit the fee within 15 days is grounds for dealer license suspension and allows the customer a cause of action against the dealer for damages that otherwise would have been covered by the warranty or service contract.

To file a complaint against a dealer for failing to purchase a warranty for which a customer has paid, contact the Motor Vehicle Enforcement Division at 801-297-2600.

**More questions?** Email: <a href="mved@utah.gov">mved@utah.gov</a>, or direct telephone calls and correspondence regarding third party warrantees or service contracts to:

Motor Vehicle Information P.O. Box 4000 Salt Lake City, Utah 84134 Phone: 801-297-7780